VZCZCXRO1250 OO RUEHBC RUEHDE RUEHKUK RUEHMOS DE RUEHNE #1268/01 0481515 ZNY CCCCC ZZH O 171515Z FEB 06 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WASHDC IMMEDIATE 0277 INFO RUCNIRA/IRAN COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 0401 RUEHLM/AMEMBASSY COLOMBO 3552 RUEHKA/AMEMBASSY DHAKA 3573 RUEHIL/AMEMBASSY ISLAMABAD 6460 RUEHBUL/AMEMBASSY KABUL 2410 RUEHKT/AMEMBASSY KATHMANDU 4219 RUEHLO/AMEMBASSY LONDON 8432 RUEHMO/AMEMBASSY MOSCOW 6842 RUEHKO/AMEMBASSY TOKYO 2793 RUEHCI/AMCONSUL CALCUTTA 1773 RUEHCG/AMCONSUL CHENNAI 1580 RUEHKP/AMCONSUL KARACHI 2348 RUEHLH/AMCONSUL LAHORE 2133 RUEHBI/AMCONSUL MUMBAI 0824 RUEHPW/AMCONSUL PESHAWAR 2815 RHEBAAA/DEPT OF ENERGY WASHINGTON DC RUEHUNV/USMISSION UNVIE VIENNA 0489 RUCNDT/USMISSION USUN NEW YORK 9199 RHEHNSC/NSC WASHDC RUEIDN/DNI WASHINGTON DC RHHMUNA/CDR USPACOM HONOLULU HI RUEHGV/USMISSION GENEVA 1355 RUCPDOC/DEPT OF COMMERCE WASHDC RHHJJPI/PACOM IDHS HONOLULU HI RHMFISS/HQ USSOCOM MACDILL AFB FL RHMFISS/HQ USCENTCOM MACDILL AFB FL RUEKJCS/SECDEF WASHDC RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 001268

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TAGS: PREL PGOV KNNP ENRG EPET IN IR

SUBJECT: PM RESPONDS TO IRAN VOTE CRITICISM IN PARLIAMENT

REF: NEW DELHI 1061

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Classified By: PolCouns Geoff Pyatt for Reasons 1.4 (B, D)

 $\P 1.$ (C) Summary: In his February 17 statement to Parliament addressing the domestic criticism of India,s vote on the Iran nuclear issue at the IAEA Governing Board, Prime Minister Manmohan Singh offered a vigorous defense of his government's position, maintaining that the UPA's stance was consistent with Indian national interest. He reaffirmed Iran's legal right to develop peaceful uses of nuclear energy, but stressed that Iran must exercise these rights consistent with its international commitments and obligations. The PM underscored the security implications of clandestine proliferation in India,s own "neighborhood, alluding to Pakistani assistance to Iran's program and emphasizing that the recent IAEA Resolution had the support of all P-5 countries, as well as the support of key non-aligned and developing countries. A Congress MP leading the party's Parliamentary defense on this issue told PolCouns that the UPA senses that the BJP may be easily silenced as the GOI points out not only the serious proliferation concerns involved, but also the similarities between its Iran policy and the previous NDA statements and actions. Indian Muslim support for Iran is a bigger concern. End Summary.

PM Hits Back at Criticism

12. (SBU) In a strongly worded Statement to Parliament, PM Singh defended the Congress-led government's position on the Iran nuclear issue, but dedicated a large portion of his speech to mapping out the complexities of the issue, notably India,s "traditionally close and friendly relations with Iran." He defined India-Iran ties as "civilizational" in nature, and "not limited to any single issue or aspect." The PM stressed his government's commitment to the Iran-Pakistan-India pipeline in order to deflect the accusations that India's vote was a cave-in to US pressure. Iran, the PM stated, has the legal right to develop peaceful nuclear energy consistent with its international obligations. However, Iran has not acted in a manner consistent with these obligations, first by not declaring certain nuclear activities, and then resuming production of uranium hexafluoride and then uranium enrichment, the PM said.

The Security Implications of Proliferation Activities

13. (U) In a not-so-indirect reference to Pakistan, the PM reminded Members that the source of clandestine proliferation of sensitive technologies and designs to Iran "lies in our own neighborhood," and argued "India cannot afford to turn a blind eye to the security implications of such activities."

An "Independent Judgment of our National Interests"

14. (U) The PM stressed the independence of the GOI's position and emphasized that his government has consistently sought consensus through the IAEA. He reminded his critics that while the February Resolution was not consensus-based,

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it received the support of all P-5 countries, and a majority of non-aligned and developing countries. While hopeful for a positive outcome on the Russia-Iran discussions, the PM called for restraint and, in what appeared to be advice for other countries, stated that he is deeply concerned by the escalating rhetoric on all sides and the possibility of confrontation, noting India,s political, economic and security interests in the region.

The Debate in Parliament

15. (C) Anticipating the debate in Parliament that will follow the PM,s statement, PolCouns and PolOff met with Raashid Alvi, a Congress MP who is leading the Congress on the Iran debate in the Rajya Sabha (Upper House). Alvi raised many concerns about Pakistan's involvement in Iran's nuclear program, suggesting that the A.Q. Khan argument may be an important defense of the government's position. He welcomed points from the Embassy detailing Iran's history of deceit and underscoring that the former, BJP-led government supported previous IAEA resolutions concerning Iran. Alvi informed us that many BJP members (now in opposition) are perplexed by their party's handling of India's position on Iran. The Congress, he believes, is adopting a natural BJP position on this issue. He speculated that some BJP members are concerned that the opposition is trying to score points on this sensitive issue, but could paint the government into a corner leading to an outcome they would not desire. Alvi, a Muslim politician from Uttar Pradesh, also gave us his perspective on the views of the Shia community in India on this issue. While relatively balanced on Iraq, Alvi believes that the Shia community in India is unified in its opposition to the current government position on Iran. That said, Alvi downplayed Iranian government influence on local politics on this issue in heavily Shia areas, such as Lucknow, suggesting that Iran is focused on subsidizing sympathetic clerics.

16. (C) While conscious of the need to balance several important interests, the PM is not backing down on the Iran issue. He has clearly underscored the security threat facing India as a result of clandestine proliferation, though he has not yet identified Iran, whose missile-range reaches large will reach heavily populated sections of India, as itself a security threat to the country. Embassy will continue to lay out the U.S. position on this issue and emphasize the common-ground with India.

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